

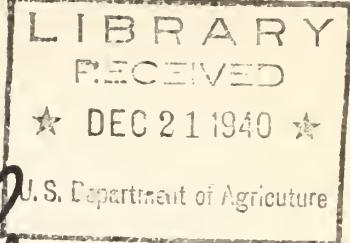
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Facts for NORTHEAST COMMITTEEMEN

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STATEMENT BY THE DIRECTOR

By the time this issue of "Facts" reaches Northeastern AAA Committeemen, final sessions of the annual Regional Conference in New York City will have been completed. At the same time, the work of the conference -- of the committeemen who attended and all those who have the responsibility of carrying out the conservation program in the Northeast -- will have only begun.

The Regional Conference this year is perhaps the most significant ever held in the Northeast area. Rapidly changing world conditions and our own preparation for national defense have raised critical problems for agriculture. The swiftly changing agricultural situation, the outlook for the future, black in spots, bright in others, and the problems of how to help most effectively to protect the interests of agriculture and the nation, will have received intensive study.

The Regional Conference will be followed by State and district conferences. Among some of these meetings already scheduled are: New Jersey, December 12-13, 18-19, and 20-21; Maine, December 16-17-18; New Hampshire, December 18-19; Connecticut, December 19-20. The other States will announce their schedules soon. These conferences will be followed by county conferences -- usually of 2 or 3 days, at which community committeemen and other local workers will carefully study the situation and the application of the farm program to each type of farm in the local area.

But all of these conferences are worth little except as they make it possible for each farmer in the region to have better information on which to base his own plans. That information to be at all complete must include

1. How our farm situation is being changed by the war.
2. Why an adequate farm program is necessary to keep farmers economically strong.
3. What each farmer's share in national defense really is.

The purpose of these conferences is to give community and county committeemen the background they need if they are to be equipped to get the necessary information into the hands of each farmer in their communities.

(Continued)

Facts for NORTHEAST COMMITTEEMEN

Continued

Local committeemen will, in accordance with their own best judgment, use meetings, letters, circulars, and personal contacts to do the job of seeing that every farmer understands the situation and the real character of the farm program.

The urgency of the national situation gives unusual importance to the work of our organization between now and spring. The hope for preserving democracy is to have the people of America know the facts on which practical action to meet America's problems must be based.

A. W. Manchester

Director, Northeast Division.

FARM DEMOCRACY AT WORK

All committee elections in the Northeast Region will be completed during December, and committeemen will take office on January 1.

As AAA farmers are naming their leaders in the Region, R. M. Evans, Administrator of the Agricultural Adjustment Administration, makes the following statement:

"Farm leadership springing from thousands of communities all over our land is the key to the success of the American farm program. The nation, through Congress, gave agriculture the power to solve its problems, but the job of making that program work is in the hands of the farmers. Each year the cooperators in each of the nation's more than 24,000 agricultural communities hold election meetings. Altogether there are more than 135,000 community and county committeemen, elected by farmers from their own ranks.

"These committeemen are the bulwark of our farm program administration. Their suggestions, within the bounds of legislation, go into the making of the programs from year to year. Their work carries the program to the farmers. They are the administrators of the program right on their home grounds among their own neighbors."

KARL OLSEN IN NORTHEAST

Karl Olsen, representing the Consumer Advisory Commission of the Council of National Defense, will address AAA State-wide meetings in Maine on December 17, in New Hampshire on December 18, and in Connecticut on December 19.

Mr. Olsen comes to the Northeast from meetings with farmers throughout the nation. He has also traveled extensively through war-torn Europe within the last 8 months.

He is qualified by first-hand experience and by his present work to bring Northeastern farmers significant facts about the defense of American democracy.

THE SITUATION AT A GLANCE

Cash income of all United States farms in 1940 is now estimated at 9 billion dollars. This is an increase of 460 million dollars over 1939. For purposes of comparison it may be contrasted with the 1929 income of \$11,221,000,000. In cash the National Farm Income Rises 1940 income is 19.8 percent below 1929. However, a dollar is now worth 25 percent more to a farmer than it was in 1929, so that the cash income of American farmers will now buy slightly more goods than in 1929.

The Federal Reserve Board index of United States industrial production was reported at 128 for October 1940, and steadily rising. Some estimates are that it will reach 135 or better before the end of 1941. Nonagricultural employment has increased to Business Expanding 36,627,000 persons from 35,447,000 a year earlier, and 26,633,000 at the bottom of the depression in March 1933. The greatest number employed at the peak in September 1929 was 37,733,000.

The factory payrolls index was 109.4 for September 1940 as compared with 93.8 for September 1939. This represents an increase of 16.6 percent.

Department store sales as reported by the Federal Reserve Board showed an increase, during the first 2 weeks of November, of 13 percent over the same period Store Sales Rising a year ago.

A tabulation of the statements of 350 leading industrial corporations by the National City Bank, New York, is indicative of the upsurge in profits in 1940. For Business Profits Continue up the first 9 months these companies had combined net profits of 869 million, compared with 611 million in the corresponding period in 1939. This represents an increase of 42 percent.

The reported 9 months' figures of most companies exclude reserves for all taxes.

The annual rate of return on net worth in 1940 is indicated at 10.4 percent as compared with 7.4 percent in 1939.

The already hard-pressed foreign market for American farm products is again constricted Farm Exports Still Shrinking sharply by war. Our shipments abroad in the period from June to September of 1940, as contrasted with a year earlier, were down 61 percent for cotton; 86 percent for canned and dried fruits; 48 percent for tobacco; and 71 percent for wheat.

The agricultural situation is made complex by the fact that those who have suffered most from the loss of foreign markets are not those who have gained from the increase in domestic markets; the picture is particularly black in the exporting areas, while it is brightening in those sections that produce for home consumption.

For the 4 months from July to October, for example, the value of sales of vegetables increased 5 percent, dairy products 9 percent, and poultry and eggs 1.5 percent over the same period of the preceding year.

STATEMENT BY SECRETARY WICKARD

(Excerpt from address at Syracuse, New York, November 15, 1940)

Our democracy, if it is to be strong and unassailable, must give serious and continuous attention to the problem of bettering the lot of the low-income groups in cities and on farms. It is only common sense to do this. Raise their incomes and you raise their buying power. Raise their buying power and you create new markets for the production of our machine industry and increasingly mechanized agriculture. That seems to be about the only place we can look for new markets in the world as it is today, and certainly it is the first place we would want to look for new markets. We are our brothers' keepers. And they are also our keepers. We will be economically stronger and also morally and psychologically stronger as we make the American dream come true for more and more Americans.

We have tested out the theory that economic well-being would trickle down from the top if you let the people at the top of the heap go their own way in their wisdom. That theory was "murdered by a gang of brutal facts" in the early 1930's. It didn't work!

We know now that we have to find a workable way of generating economic well-being at the bottom by increasing the consuming power of the lowest-income group.

FARM PROGRAM DATES

December 31 is the deadline for wheat loans -- wheat acreage on wheat allotment farms in the Northeast Region to be measured by December 1, and parity payments to wheat growers in the Northeast early in December.

Compliance work under the 1940 program to be completed in November -- preparation of the last applications for payment during December.

Considerable tonnage of liming materials and superphosphate to be moved to farms as conservation materials in December, to avoid the rush season which prevails each spring.

Another in the radio series on "Agriculture and National Defense" by Director A. W. Manchester over the Boston Colonial Network on December 13.

Also, broadcast entitled "At Home and Afield With AAA" by Harold W. Baldwin, Division of Information, over WBZ, Boston, December 27.

Broadcast by W. F. Sinclair, Vermont State Committee Chairman, and Carl Wooster, New York State Committee Chairman, over WGY, Schenectady, on December 19, on the subject "This Year and Next."

1940 State Handbooks issued in the Region during December.